

*Delaware Public Employees' Retirement System  
County & Municipal General Pension Plan*



# Retirement Planning

*Presented by the State of Delaware Office of Pensions*

## *Statistics* (as of 6/30/17)

- 33,424 Retirees (including terminated vested) from all nine plans
  - 145 from C/M General Pension Plan
- 43,744 Active Members in all nine plans
  - 743 in C/M General
- Over \$9.5 billion + in the Delaware Public Employees' Retirement System (8 pension plans, 1 length of service award plan, 3 post-retirement trusts, 1 investment pool made of two entities)
  - Assets of \$45.9 million in C/M General
  - Approximately 87.6% funding ratio for C/M General

## *Pension Contributions*

- 3% contribution deducted after first \$6,000 of earnings each calendar year
- Employer Contributions
  - FY 2018 – 7.09% per member

## *Retirement Eligibility – Unreduced Service Pension*

- 30 years of pension credited service at any age
- Age 60 with at least 15 years of pension credited service
- Age 62 with at least 5 consecutive years of pension credited service

## *Retirement Eligibility – Reduced Service Pension*

- Age 55 with at least 15 years of pension credited service
- Reduced 0.4% for each month under Age 60

## *Retirement Eligibility – Vested Pension*

- Must have 5 consecutive years of pension credited service
- Pension is effective first of the month following 62nd birthday

# *Unified Pension*

- May combine service in the following Pension Plans with service in the C/M General provided not collecting a pension from them
  - State Employees'
  - New State Police
  - County & Municipal Police & Firefighters

## *Buy-In Options Upon Retirement*

- Approved medical leaves of absence
- Sabbatical leave of absence\*
  - Can be used to establish eligibility
- Actuarial (Ex: Military, Other Governmental)\*

\*Buy-in options must be approved and/or verified by the Office of Pensions prior to retirement



## *Payment for Leave Accruals*

- You may be entitled to payment for sick and annual leave accruals
- Payment is made by your Organization
- Contact your Human Resources representative for entitlement, estimated payoff amount and date to expect payment

# *Who is an Eligible Survivor?*

- A survivor is a person eligible to receive a monthly pension at the time of the active member or pensioner's death
  - Spouse
  - Child/children under age 18, unmarried, and if between the ages of 18 and 22, a full-time student
  - Child permanently disabled as a result of a disability that began before the child attained age 18
  - Dependent parent(s)

## *Joint And Survivor Benefit*

- Payable to an eligible survivor
- Election must be made
- One-time irrevocable
- Pensioner's monthly pension reduced for lifetime
  - 50% = No reduction
  - 66.67% = 2% reduction
  - 75% = 3% reduction
  - 100% = 6% reduction

## *Who is a Beneficiary?*

- A beneficiary is named on the Member Actuarial Information form or the Contributory Designation/Change of Beneficiary form and receives a lump sum distribution of the balance of member paid pension contributions, plus interest, in the event that there is no eligible survivor at the time of the member's death

# Calculating Your Estimated Monthly Pension

## Visit [www.delawarepensions.com](http://www.delawarepensions.com)

### State of Delaware Office of Pensions

McArdle Building, 860 Silver Lake Blvd., Suite #1, Dover, DE 19904-2402

Toll Free: (800) 722-7300 • Local: (302) 739-4208 • Email: [pensionoffice@state.de.us](mailto:pensionoffice@state.de.us)

What are you looking for?

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**Do you have questions?**  
**Please look through our FAQ section.**

Here you will find answers to frequently asked questions on Retiring, State Employee's Pension Plan and more.

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### At a Glance

*Next payment date for Pensioners*

**September 30**

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# *Calculating Your Estimated Monthly Pension*

## Calculators

Select an option below:

State Employees Pension Calculator	Correctional/Specified Peace Officer Pension Calculator	New State Police Pension Calculator
Revised Judicial Pension Calculator	Diamond State Port Corporation	Delaware Volunteer Firemen Pension Calculator
County and Municipal (General)	County and Municipal (Police/Firefighter)	Tax Withholdings (Federal and State)

## 1 ESTIMATED CREDITED SERVICE

### Compute your estimated monthly pension:

(If you are thinking about early retirement use the top calculator **and then** use the bottom calculator)

#### Helpful Hint:

Do not use commas in the combined highest 5 year compensation field. For example, type 100000 instead of 100,000.

mini-calculator

1	2	3	+
4	5	6	-
7	8	9	x
c	0	=	/

Click '=' will auto-fill Compensation Amount

**Please choose the nearest month or decimal in accordance  
with your State of Delaware service.**

Enter your credited service: Years  Months

Enter your combined highest 60 consecutive months compensation\*\*: \$

\*\* Final Average Earnings means the average of the your earnings during any 5 periods of 12 consecutive months with the Employer that produce the highest average.

COMPUTE

CLEAR

## 2 YOUR MONTHLY EARNINGS PENSION INFORMATION

CALCULATIONS ARE ESTIMATED

		\$	\$	\$	\$
• Monthly Final Average Earnings	<input type="text" value="2500.00"/>	<input type="text" value="1041.67"/>	<input type="text" value="1020.84"/>	<input type="text" value="1010.42"/>	<input type="text" value="979.17"/>
• This is your calculation factor	<input type="text" value="41.67"/>	Your <b>estimated</b> monthly pension <b>50%</b> survivor option	Your <b>estimated</b> monthly pension <b>66.67%</b> survivor option	Your <b>estimated</b> monthly pension <b>75%</b> survivor option	Your <b>estimated</b> monthly pension <b>100%</b> survivor option
• This is your credited number of years of service	<input type="text" value="25.0000"/>				

### 3 ADDITIONAL CALCULATOR

CALCULATIONS ARE ESTIMATED

NOTE: You must perform calculation in Step #1 first for the additional calculators to work properly.

#### • IF EARLY RETIREMENT...

Enter number of months reduced- then  
click 'COMPUTE'

60

This is your monthly reduction (months  
reduced X .004) \$ 250.00

#### IF ACTUARIAL BUY-IN (1 year Buy-in amount)...

Select Age at Retirement- then click 'COMPUTE'

55

☒ Calculate

Monthly Pension Increased by buy-in option:

\$ 41.67

Buy-in Cost:

\$ 6250.01

Recoupment Period (No. of Years):

12.5000

\$	\$	\$	\$
791.67	775.83	767.92	744.17
Estimated reduced monthly pension 50% survivor option	Estimated reduced monthly pension 66.67% survivor option	Estimated reduced monthly pension 75% survivor option	Estimated reduced monthly pension 100% survivor option
COMPUTE		CLEAR	

\$	\$	\$	\$
1083.34	1061.67	1050.84	1018.34
Estimated monthly pension if electing 50% survivor option with buy-in	Estimated monthly pension if electing 66% survivor option with buy-in	Estimated monthly pension if electing 75% survivor option with buy-in	Estimated monthly pension if electing 100% survivor option with buy-in
COMPUTE		CLEAR	

Print a complete Estimate Summary based on the data input.



## *Health Insurance*

- Eligible to participate in the group health insurance plans offered by the State of Delaware
- Pay the total cost (member and employer share) of the health insurance
- A member eligible for a vested pension in another plan OR receiving a pension in another plan may be eligible for a portion of the State Share paid by the State

# *Health Insurance*

- All plans coupled with prescription plan coverage (except special Medicfill non-prescription coverage option)
  - Changes in coverage once a year during the open enrollment period in May; changes are effective July 1<sup>st</sup>
  - Medicare–eligible members' open enrollment period occurs in October; changes effective January 1st
- Life Changing Event – Changes must be done within 30 days of the event

# *Medicare Coverage*

- Medicare becomes primary health insurance through Social Security (SS) when an individual attains age 65 or SS determines eligibility due to disability
- Medicare Part A
  - Hospital
  - Automatically enrolled at the age of 65
- Medicare Part B
  - Medical (doctors, supplies, etc.)
  - Not required until retirement or no longer have active employer coverage
- Medicare Part D
  - Prescriptions
  - If enrolled in State Supplement plan with prescription option, includes Enhanced Part D program
- Enrollment in Medicare Advantage plan is not compatible with the Special Medicfill Plan and enrollment in both is not permitted

# *Dental Insurance*

- Available Plans
  - Dominion National
  - Delta Dental
- Life Changing Event – Changes must be done within 30 days of the event
- Automatic payroll deduction

## *Direct Deposit*

- Mandatory for monthly pension
- Deposited on the last business day of each month

# *Taxes*

- Monthly pension is taxable by the Federal Government
- May or may not be taxable in the State where the retiree maintains permanent residence
- Form 1099-R

## *Payment of First Pension*

- Lag Payroll – Lag Pension
- Monthly pension is calculated after the receipt of your final pay from your Organization
- Online pay advices

## *Working After Retirement*

- Only applies if considering employment with an organization participating in the C/M General Pension Plan
  - Per Delaware statute and IRS guidelines
    - If under age 65 – must have a bona fide separation of at least six months
    - If over age 65 – a bona fide separation is not required
- EITHER OF THE ABOVE AND**
- Must be in a non-pension covered position



# *So...Ready for Retirement ?*

- Written notification to supervisor or Human Resources four months prior to retirement
- Human Resources
  - Validates eligibility to retire
  - Prepares pension application
  - Verifies pension creditable service
  - Submits application to Office of Pensions for acceptance
  - Schedules appointment with member to complete the pension packet
- Member
  - Gathers personal documents needed for self, spouse and eligible dependent(s) as applicable

## *After You Retire*

The Office of Pensions maintains pensioner records

- Updates must be in writing
  - Name
  - Address
  - Other personal information
- Available to answer questions or concerns

# *Contact the Office of Pensions*

- Website: [www.delawarepensions.com](http://www.delawarepensions.com)
- Email address: [Open\\_Manual\\_Loads\\_Help@state.de.us](mailto:Open_Manual_Loads_Help@state.de.us)
  - Phone: (302) 739-4208
  - Toll free: (800) 722-7300
  - Fax: (302) 739-6129
- Office Address: McArdle Building  
860 Silver Lake Blvd, Ste. 1  
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